

RESOLUTION NO. 12-33

RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA RATIFYING AND APPROVING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN HIALEAH CIVIL SERVICE EMPLOYEES ASSOCIATION, AFSCME, LOCAL 161, AND THE CITY OF HIALEAH, FLORIDA FOR A PERIOD FROM APRIL 1, 2012 THROUGH SEPTEMBER 30, 2014, A COPY OF WHICH WILL BE ON FILE IN THE OFFICE OF THE CITY CLERK.

WHEREAS, pursuant to Hialeah, Fla., Resolution 07-149 (Dec. 12, 2007), the City of Hialeah ratified a Collective Bargaining Agreement between the Hialeah Civil Service Employees Association, AFSCME, Local 161, ("AFSCME") and the City of Hialeah, which reopened the third year of a previous ratified agreement and extended the agreement for two additional years, through September 30, 2009; and

WHEREAS, the City and AFSCME have operated without a ratified Collective Bargaining Agreement during the period of October 1, 2009 through March 31, 2012.

WHEREAS, on March 12, 2012, AFSCME bargaining unit members ratified the proposed collective bargaining agreement by majority vote of the votes cast of the bargaining unit members.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

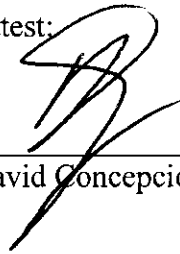
Section 1: The Mayor and the City Council of the City of Hialeah, Florida hereby ratify and approve the Collective Bargaining Agreement between Hialeah Civil Service Employees Association, ASFCME, Local 161, and the City of Hialeah, Florida for a period from April 1, 2012 through September 30, 2014, a copy of which will be on file in the Office of the City Clerk.

PASSED AND ADOPTED this 13th day of March, 2012.



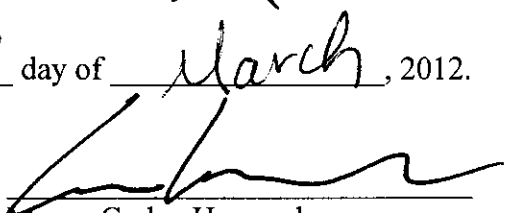
Isis Garcia-Martinez
Council President

Attest:



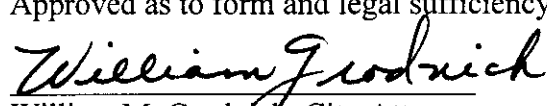
David Concepcion, City Clerk

Approved on this 13 day of March, 2012.



Mayor Carlos Hernandez

Approved as to form and legal sufficiency:



William M. Grodnick, City Attorney

**SUMMARY OF CITY AND UNION PROPOSAL
TO BE PRESENTED TO VOTE**

1. 17% salary reduction ends on March 31, 2012.
 2. From April 1, 2012 through September 30, 2013, 8.4% pre-tax health insurance contribution from base pay (represents 5% pre-tax health insurance contribution plus the value of 15 unpaid holidays including 1 birthday leave). Straight time to be paid to employees who work on a holiday and if applicable, overtime (no holiday pay).
 3. From October 1, 2013 through September 30, 2014, 7.0% pre-tax health insurance contribution from base pay (represents 5% pre-tax health insurance contribution plus the value of 6 unpaid holidays from October 1, 2013 through September 30, 2014). Straight time to be paid to employees who work on a holiday and if applicable, overtime (no holiday pay).
 4. As of October 1, 2014, all pre-tax health insurance contributions end.
 5. Continued freeze on merit steps and 15-year anniversary pay raises through June 30, 2014. On July 1, 2014, merit steps and 15-year anniversary pay raises will commence again.
 6. Changes to City Group Health Insurance Plan—effective January 1, 2013 (this is not the HMO).
 - Increase specialist copay from \$45.00 to \$50.00
 - Adding net deductible for in-network hospital care
\$500 for single coverage/\$1,000 for family coverage
 - Adding \$25 annual deductible for prescriptions
 - Increase Emergency Room copay from \$100 to \$250
- As of January 1, 2013, increase premiums by \$20.00 per pay check for each type of coverage in the City Group Health Insurance Plan. No further increase in premiums in 2014.
7. On January 1, 2014, the City contribution to the HMO will be increased by 10%.
 8. Full Time General employees hired on or after April 1, 2012 (new employees) will enter a defined contribution (DC) plan. The City will contribute 7% of the employee's salary to match the 7% employee contribution to the DC Plan. There will be no annuity contribution by the new employees. Upon retirement with the City, the employee will keep all contribution and interest earned. Upon separation with the City within 10 years from the date of hire, the employee keeps his or her contribution with interest but the City will retain its contribution with interest.
 9. No changes to the benefits of the pension plan for all general employees hired before January 1, 2011.

10. General employees hired from January 1, 2011 through March 31, 2012 will not continue to pay a 5% contribution to receive pension benefits, and will be allowed to join the City pension plan for existing employees provided that such employees pay the 7% annuity contribution from date of hire.

11. No new general employee entrants into the DROP as of April 1, 2012. DROP closes as of March 31, 2012 for new employees. General employees who have entered the DROP prior to April 1, 2012 will be allowed to complete the time period allowed in the DROP.

12. The limit on the number of hours that an employee can accumulate for compensation time shall be increased from 240 hours to 300 hours.

13. For part time employees only, in order to be eligible for vacation time, the minimum hours worked during the year is reduced from 1,170 hours to 1,100 hours.

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AGREEMENT

This Agreement, entered into this _____ day of March, 2012, by and between the City of Hialeah (hereinafter referred to as the "City"), and the Hialeah Civil Service Employees Association-AFSCME Local 161 (hereinafter referred to as the "Union"). The term of this Agreement shall be from April 1, 2012 through September 30, 2014. This Agreement was ratified and approved by the City Council of the City of Hialeah pursuant to Hialeah, Fla., Resolution 12-_____ (March _____, 2012).

PREAMBLE

WHEREAS, it is recognized by the parties hereto that the declared public policy of the State of Florida and the purpose of Part II, Chapter 447, Florida Statutes, is to provide statutory implementation of Section 6, Article 1 of the Constitution of the State of Florida and to promote harmonious and cooperative relationships between City Government and its employees, both collectively and individually, and to protect the public by assuring, at all times, the orderly and uninterrupted operations and functions of City Government; and

WHEREAS, it is the intention of the parties to this Agreement to set forth their entire Agreement with respect to matters within the scope of negotiations;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE 1

RECOGNITION

Section 1.

Pursuant to and in accordance with all applicable provisions of Chapter 447, Florida Statutes, 1974, as amended, the City recognizes the Union as the exclusive bargaining representative for all employees included in the Bargaining Unit.

Section 2.

The Bargaining Unit is defined as composed of those positions recognized by the Florida Public Employees' Relations Commission in Certificate No. 1336, and subsequent amendments.

Section 4.

Any or all employees who violate any provision of this Article or the Law prohibiting strikes may be dismissed or otherwise disciplined by the City.

ARTICLE 8

TERM OF AGREEMENT

Section 1.

This Agreement, after having been first executed by both parties in accordance with applicable Florida Statutes and PERC regulations, and after having been imposed in accordance with applicable Florida Statutes and PERC regulations, shall become effective on April 1, 2012, after ratification by the Union and the acceptance of this Agreement by the City Council ~~if ratified, or the date of imposition, March 21, 2011, if this Agreement is not ratified by the bargaining unit.~~ except as provided otherwise herein, and shall continue in full force and effect until 11:59 p.m., September 30, 2014.

Section 2.

It shall automatically be renewed from year-to-year thereafter unless either party shall have notified the other in writing not later than April 1st, of year the contract is slated to end, that it desires to modify the Agreement with negotiations to begin not later than May 31st, of said year. Such notification shall include a list of proposals that shall inform the other party of the items they desire to negotiate. The remainder of the Agreement shall remain in full force and effect and automatically be renewed from year to year.

ARTICLE 9

NOTICE

Section 1.

The City agrees to provide to the Union President or his/her designee the following: Agendas of Regular and Special City Council Meetings (except where exempt by applicable law), Regular and Special Retirement Board Meetings, Regular and Special Personnel Board Meetings and Hearings, Regular and Special Safety Committee Meetings, Regular and Special Council Committee Meetings, and the Minutes of Regular and Special City Council Meetings

violation being brought to its attention the City will remedy any violations. The City will not require an employee to work in an unsafe manner, area or condition, as defined by OSHA Standards.

Section 2.

In those jobs or occupations where special equipment or attire is required to comply with current State and Federal Safety Standards, said special equipment or attire shall be provided and maintained by the City. When special equipment/attire is provided, failure to wear such equipment/attire may result in disciplinary action against the employee.

Section 3.

The City reserves the right to use an employee's failure to wear the provided special equipment/attire as a defense against Workers' Compensation claims, in the event of an injury to the employee.

ARTICLE 35

HOLIDAYS

Section 4 a.

Fiscal Year 2010/2011

April 1, 2012 through September 30, 2013

~~For the Fiscal Year 2010/2011, From April 1, 2012 through September 30, 2013, there shall be twelve (12) fifteen (15) employee-paid holidays including the Employee's Birthday for calendar year 2012,~~ for members of the Bargaining Unit. Bargaining Unit employees will recognize holidays under the following schedule:

Columbus Day	2 nd Monday in October
Veterans' Day	November 11 th
Thanksgiving Day	4 th Thursday in November
Friday after Thanksgiving Day	Day after Thanksgiving Day
Christmas Day	December 25 th
New Year's Day	January 1 st
Martin Luther King, Jr.'s Birthday	3 rd Monday in January

Presidents' Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	1 st Monday in September
Employee's Birthday	To be taken off with mutual consent of Employee and Department Head
Personal Sick Leave (2 days)	To be taken from accumulated sick leave with mutual consent of Employee and Department Head

Fiscal Year 2013-2014

For Fiscal Year 2013-2014, the first six holidays (Columbus Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Day and New Year's Day), are employee-paid holidays. The remaining holidays and the employee's Birthday shall be city-paid holidays. Effective October 1, 2014, all holidays during a fiscal year shall be reinstated.

For Employees who work Monday through Friday, when the holiday falls on a Saturday, the holiday will be observed on the preceding Friday, and when the holiday falls on a Sunday, the holiday will be observed on the following Monday.

Section 1a. For designated holidays that are employee-paid, employees that are required to work on a holiday which is a regularly-scheduled work day, shall be paid straight time or elect to add the hours worked to the employee's compensation time bank. If an employee is called into work on a holiday that is not part of the employee's normal workweek schedule, the employee may be paid overtime as provided in the overtime provisions of the collective bargaining agreement

Employees in the Solid Waste Department who do not work on a holiday shall be paid at straight time for the actual normal hours scheduled for that particular day, currently either nine (9) or nine and one-half (9.50) hours.

Section 2.

In the event that one of the above named holidays occurs during the course of an employee's vacation, then the employee's vacation may be extended by one day, or the employee would be given compensatory time at straight time for said day at the employee's option.

Section 3.

In the event that one of the above named holidays occurs while an employee is on sick leave, the employee will receive holiday leave and shall not be charged sick leave for that day.

Section 4.

A holiday will be any day in which an employee begins or would begin his shift during the day recognized as a holiday under Section 1.

Section 5.

Employees performing work on any day of the above holidays, except the Employee's Birthday, shall be paid time and one-half (1 ½) of their straight hourly rate at the employee's discretion, in addition to the Holiday pay. Employee's Birthday will be compensated at straight time with the employee being given the option of having the day off or receiving compensatory time.

Section 6.

If the City desires to permit the closing of certain departments or divisions on either side of a holiday, the City shall not force the employee to take said day off. However, the Union recognizes the City's right to request the employees to take the day off and to transfer employees that desire to work rather than taking the day off to another Department or Division for the day. The taking off of the day is at the discretion of the employee.

Section 7.

If a holiday falls on an employee's regularly scheduled day off, and the employee does not work at all, on the holiday, during his regularly scheduled hours, the employee shall be permitted to exercise his option as to whether or not he shall be compensated at straight time for the holiday or be given compensatory time for said holiday. For those employees whose compensatory bank is at its maximum, they shall, in all cases, be paid for the holiday.

ARTICLE 36

OVERTIME/COMPENSATORY TIME (CALL BACK)

Section 1.

a. Overtime shall be paid for all work performed in excess of 40 hours per workweek. The workweek shall include approved vacation and/or compensatory time leave, holiday leave, and sick leave where a doctor's note is required and provided; except for public safety communications officers and supervisors in the Public Safety Communications Division and field staff, inspectors and supervisors in the Solid Waste Department.

b. The City will not change any existing practices regarding the payment of overtime on an individual day when an employee exceeds a shift during one working day until further investigation.

c. Off-duty court appearances shall be paid as set forth in Section 8. Employees performing overtime work shall, at the discretion of the employee, be given compensatory time at the rate of time and one-half (1 ½) or pay at the rate of time and one-half (1 ½) for such work.

Section 2.

Any employee with more than ~~240~~ 300 hours of accumulated compensatory time, or who by working overtime would accumulate greater than ~~240~~ 300 hours, shall be paid overtime in all instances. Employees, upon reaching ~~240~~ 300 hours, or those who already exceed ~~240~~ 300 hours, shall no longer have the option of compensatory time or overtime, but instead, shall be paid for all overtime. Anyone currently over ~~240~~ 300 hours will be permitted to keep the hours on the books until such time as they use the hours down to the ~~240-~~ 300-hour level or leave the employment of the City.

Section 3.

The parties agree that overtime hours shall not be used in the computation of arriving at average earnings for the purpose of establishing pension benefits.

Section 4.

The parties agree that the assignment of overtime work is on an involuntary basis and any employee refusing assignments of such work is subject to disciplinary action as deemed appropriate by the Department/Division Head and approved by the Mayor.

Section 5.

Scheduled overtime shall be offered within a given Department/Division on the basis of an overtime roster, by classification, which will be established on the basis of an individual's

continuous City service in the affected classification with the most senior employee, i.e., that individual of the earliest certified date in the classification, being placed at the top of the roster, except that employees demonstrating poor attendance e.g., excessive undocumented absences in the prior calendar year as defined in Article 24, may be by-passed on the overtime roster as delineated in Article 24. Offers of scheduled overtime shall begin with the most senior employee and then proceed upon a continuing rotating basis.

Forced overtime, shall be in a reverse order, i.e., from least senior to most senior. In either instance, special skills and/or qualifications may necessitate and would justify some deviation from the strict rotating basis.

Section 6.

If an employee's employment is terminated voluntarily or involuntarily, all accumulated compensatory time shall be paid to the employee or in case of death to the beneficiary.

Section 7.

Compensatory time will be taken at the convenience of the City. However, the City shall make every attempt to accommodate the employee's request for compensatory time off.

Section 8.

If an employee is subpoenaed to appear on their off-duty time in a court proceeding as a result of his/her job duties, they shall receive a minimum of three (3) hours at time and one-half pay (i.e., 4 and ½ hours), or compensatory time at the employee's discretion, except as set forth in Section 2 above. Court time shall begin at subpoena time and end when excused for the day. However, if the appearance time is one (1) hour or less before the beginning of the employee's regular shift, or one (1) hour or less after the end of the employee's regular shift, the court-related appearance shall be compensated at one and one-half (1 ½) times for the amount of time worked for the court appearance.

ARTICLE 37

Section 7

A. Commencing November 1, 1986, each department/division shall post a vacation roster and accept requests for vacations for the following year, which shall be based on seniority within the classification. Vacation roster shall take precedent over requests after said roster has been established. This would preclude an individual with greater seniority bumping an individual on the roster with less seniority. The roster shall remain open for forty-(40) days. Vacation shall then be confirmed within ten (10) days after the closing of the roster. In the event two (2) employees submit requests for vacation on the same date, for the same or substantially similar vacation periods, and the City is unable to honor both requests, the determining factor in awarding the requested vacation shall be the seniority of the employee by job classification.

B. Requests for vacation outside of the vacation roster will be submitted by the employee to the Department or Division Head, a minimum of forty-(40) days prior to the commencement of the requested vacation. Therefore, the department shall confirm the employee's vacation request within ten (10) days after receipt of the request. Every attempt will be made by the City to honor the employee's request.

Determining factors in awarding the vacation shall be the respective dates of the requests, i.e., the earlier request to be honored first and the needs of the Department/Division.

C. The forty (40) day time provisions set forth in Section 7 (B) may be waived for a given employee with the agreement of the Department/Division Head and the employee.

D. Confirmed vacation requests will only be subject to cancellation if the department experiences an unforeseeable emergency requiring the attendance of the employee at work. The Mayor shall approve any request to cancel a vacation because of an unforeseeable emergency.

ARTICLE 38

HEALTH INSURANCE PROVISIONS

Section 1. The City offers the following two (2) Options, with regard to Health Insurance to the bargaining unit members. Members may elect to enroll in one of the two options as provided herein. Only members electing one of these two (2) options will be enrolled in a term life policy, as provided in Section 3 below.

Option 1. CITY OF HIALEAH SELF-FUNDED GROUP HEALTH PROGRAM

In conjunction with the benefits presently received under the City's Self-Funded Group Health Program, which is incorporated herein by reference, bargaining unit members shall receive the following benefits:

- A. There will be no lifetime group health insurance cap or maximum limitation as so provided in the 2010 Healthcare Reform Act to the extent that it remains federal law.
- B. The City will provide a health benefit program that utilizes a managed care approach, commonly referred to as a preferred provider organization (PPO). This managed health care program will provide the employees with a comprehensive health care network. The provider network will consist of doctors, hospitals and other services, including a prescription drug program, who have agreed to offer medical services to employees at reduced negotiated fees. Maximum plan benefits will be received when the employee uses the participating provider network. When utilizing In-Network providers, benefits will be paid at a 90% / 10% co-insurance basis. The In-Network co-payment for doctor office visits are \$25.00/visit and ~~\$35.00~~ \$50.00 for specialists. In-Network co-insurance for doctor visits will be paid @ 100% of the negotiated charges. Should employees utilize Out-of-Network services, they will be responsible for increased deductibles and co-payments. Prescription drugs will require mandatory generic, if available. \$25.00 annual deductible for prescription drugs. The employee co-payment will be based on a three (3)-tier program: (1) \$10.00 generic; (2) \$30.00 brand, when no generic available; and (3) \$50.00 with a formulary for brand name drugs, when no generic available and more than one (1) brand's available. All mail order prescriptions will receive a three (3) month supply for two (2) times the monthly co-payment.
- C. When utilizing Out-of-Network doctors, hospitals or other services, benefits will be paid at 70%/30% co-insurance basis, in accordance with the City of Hialeah's Self-Funded Group Health Program, Summary Plan Description "SPD". References to maximum out-of-pocket expenses for In-Network providers is \$3,000. The deductible for In-Network services shall be \$500.00 per individual/\$1,000 per family.

Maximum out-of-pocket for Out-of-Network services is \$6,000. The deductible for Out-of-Network services shall be \$750 per individual / \$2,250 per family.

- D. Pre-certification is required, whether In-Network or Out-of-Network, for all hospital admissions, outpatient surgery and diagnostic testing. For Out-of-Network hospital admissions and outpatient surgery, there will be an additional \$250 dollar co-payment per day (maximum of 3 days); Out-of-Network hospital benefits will be capped at the maximum allowable Medicare reimbursement rate or outpatient surgery (Out-of-Network), per day (maximum 3 days). Emergency Room co-pay shall be \$250.00
- E. The employees bi-weekly premium shall remain at through December 31, 2012:

1. Employee only \$75.00
2. Employee plus one dependent \$99.00
3. Employee plus two or more dependents \$109.00

Effective January 1, 2013, the employee's bi-weekly premium shall increase to:

1. Employee only \$95.00
2. Employee plus one dependent \$119.00
3. Employee plus two or more dependents \$129.00

No further increase in premiums in 2014.

- F. Part-time employees to pay 35% of total self-funded premium charge as established by the City. Accordingly, rates for part-time employees are subject to change.
- G. The insurance year for purpose of deductibles under "B" and "C" above shall be January 1 each year.
- H. Expenses due to a vehicular accident for which the employee and/or his or her covered dependent(s) could have been covered and paid through a statutory required zero deductible Personal Injury Protection (PIP) insurance policy covering a vehicle owned or leased by the participant, and/or his or her covered dependent(s), and for which such insurance was available regardless of whether or not such coverage was actually purchased by the participant, and/or his or her covered dependent(s), and whether or not such insurance was in force at the time of the accident, shall not be payable by the City's Health Insurance Program. This is not intended to preclude

from coverage employee A, who is injured in an accident involving employee B's vehicle, when employee B does not comply with this section, unless employee A is a covered dependent under employee B's city insurance.

- I. A Summary Plan Description is available on the website of the City of Hialeah under the Risk Management Page or available upon request at the Risk Management Office.

~~A Schedule of Benefits for Comprehensive Major Medical Benefits and a summary of Covered Services is attached as an Addendum to this Agreement. (See Appendix "A")~~

Option 2. HEALTH MAINTENANCE ORGANIZATION (HMO)

The City agrees to contribute up to the following monthly amounts per employee to offset the cost of the alternate Health Maintenance Organization (HMO) Plan, approved by the City.

A. Current HMO Contributions by the City:

1. Employee only - \$235.80
2. Employee plus one dependent - \$425.06
3. Employee plus two or more dependents - \$614.32

B. For Part-time Employees, the City agrees to contribute \$57.00 per month to offset the cost of any alternate insurance plan or HMO approved by the City.

Should the actual premium charged by the HMO be greater than the contribution made by the City for either employee only, employee plus one dependent or employee plus two or more dependents, the employee will be responsible for any difference in premium cost.

The City increased the current monthly, per employee, alternate insurance contribution to the Health Maintenance Organization (HMO), ~~3 10% effective July 13, 2010~~ January 1, 2014, subject to the City's right to negotiate with an alternate insurance provider over any proposed premium increase. The City's obligation to pay up to the premium increase, as set forth above, shall be limited to those premium increases formulated on providing the same level and type of benefits as currently provided, and shall not include any portion of a premium increase attributable to an increase in benefit levels or benefit types, except for benefits required to be provided by law. The City understands that the HMO coverage provided by the City has a limited service area in South Florida. As an alternative to those eligible retirees who reside outside the service area and wish to procure group health coverage through an alternate HMO carrier, the City will provide a contribution that will be no more than what the City contribution would be if

the retiree had selected the HMO Option 2. In order to receive this contribution, the retiree will provide proof of purchase of individual single coverage through an alternate HMO carrier.

Section 2. The City will assess the economic feasibility of a Section 125 Premium Only FICA Tax Savings Program, at no administrative expense to the City, and make every effort to implement such a tax savings program.

Section 3. Life Insurance benefit shall be \$10,000.00. Upon reaching age 65 and retirement from the City, the life insurance benefit will be reduced to \$2,000.00.

Section 4. The City will attempt to provide to employees an additional \$35,000 life insurance policy. The cost of such policy to be paid in total by the employee.

Section 5. Any employee, whose spouse is also employed by the City, will be allowed to carry Dependent coverage.

Section 6. An employee participating in Option 1 or Option 2 is eligible to participate in a group dental plan selected by the parties. The total cost of the dental plan shall be paid by the employee.

Section 7. Effective April 1, 2012 through September 30, 2013, in addition to premiums paid by insured, all bargaining unit members shall be required to contribute 8.4 percent (8.4%) of their base salary, toward the cost of health insurance coverage. The 8.4 percent (8.4%) health insurance contribution shall be "pre-tax." Employees who do not currently participate in the City Health Insurance Option or the HMO, shall also be required to contribute 8.4 percent (8.4%) of their base salary towards the cost of group health insurance coverage.

Effective October 1, 2013 through September 30, 2014, in addition to premiums paid by insured, all bargaining unit members shall be required to contribute seven percent (7%) of their base salary, toward the cost of health insurance coverage. The seven percent (7%) health insurance contribution shall be "pre-tax." Employees who do not currently participate in any City Health Insurance Option or the HMO, shall be required to contribute seven percent (7%) of their base salary towards the cost of group health insurance coverage.

Effective October 1, 2014, all pre-tax health insurance contributions shall terminate.

ARTICLE 39

PREVAILING BENEFITS

All employees will be allowed reasonable time to vote during their regular work hours. Any employee who does not work within the above facilities will be allowed reasonable time to go to the nearest polling site during his regular work hours.

ARTICLE 43

PENSION

Section 1.

Bargaining Unit Members' Pension benefits shall not be altered other than through the collective bargaining process.

Section 2.

The Union and the City agree that the City's contributions, as provided in Section 70-137 of the Hialeah Code, to the Pension Reserve Fund shall no longer be on a fixed contributions basis, but rather shall be on an actuarial basis, as recommended from year to year by an independent Actuary appointed by the Pension Board. The System shall continue to be funded at 100%, based upon the amortization of System Liability over a thirty (30)-year period. The City agrees to provide the Union with a full and complete up-to-date Actuary Summary Study on a year to year basis.

Section 3.

~~The base pension shall be \$1,800 for future retirees and shall remain the same for current retirees.~~

The Union and the City agree that the existing benefits of the City Employees' Retirement System in effect on March 31, 2012, shall continue to apply to all bargaining unit members who are employed by the City and members of the Retirement System on that date. Bargaining unit members hired or rehired on or after April 1, 2012 shall participate in a defined contribution retirement plan, and shall not participate in the Retirement System. The City Code shall be amended to implement the provisions of this section. The key provisions of the defined contribution plan are set forth in Appendix A.

Section 4.

The following provisions will continue to apply to bargaining unit members who are employed by the City and members of the Retirement System on March 31, 2012.

- A. The base pension shall be \$1,800.00 for future retirees and shall remain the same for current retirees.
- B. Vested plan provides a 2% multiplier for each year of service and a base pension of \$2,800.00 annually, and if applicable, a COLA as provided in the Hialeah Code.
- C. Age and service to equal 70 points for the 3% multiplier to be used.
- D. Normal retirement benefits under the 70 point plan provides a 3% multiplier for each year of service up to a maximum of 75% and a COLA as provided in the Hialeah Code. The base pension for the 70 point plan shall be \$1,800.00 annually.
- E. On or about October 1st of each year the City shall continue to deduct from the interest earned by all City employees participating in the pension plan \$200,000 from the employee annuity fund. Said prorated amount to be deducted from members of this unit and transferred to the pension reserve fund. However, should the annual actuarial report determine that the City contributions to the pension plan is 12% or less, there shall be no such deduction.
- F. Employees shall be permitted to buy back a maximum of four (4) years service. The cost to be totally paid by the employees and calculated in the same manner that military buy back is calculated.
- G. Members having reached retirement requirements will be allowed to elect joint and survivor option prior to retiring and will retain that election until actual retirement from the System. Members shall reserve the right to change election up to the last day in the employ of the City. Should the member die on or off the job, while still employed with the city, the member's spouse would then begin receiving retirement benefits as provided for under the joint and survivor benefit, based on age and years of service.
- H. AFSCME shall be entitled to elect one (1) trustee to the Retirement Board.
- I. Individuals under age 55 must join the retirement system; individuals 55 or older at the employee's option may join the retirement system.
- J. All other Sections of Article 3, General Retirement System, Hialeah Code, shall remain in full force and effect.

Section 5.

~~Age and service to equal 70 points for the 3% multiplier to be used.~~

Section 6.

~~Normal retirement benefits under the 70 point plan provides a 3% multiplier for each year of service up to a maximum of 75% and a COLA as provided in the Hialeah Code. The base pension for the 70 point plan shall be \$1,800 annually.~~

Section 7.

~~On or about October 1st of each year the City shall continue to deduct from the interest earned by all City employees participating in the pension plan \$200,000 from the employee annuity fund. Said prorated amount to be deducted from member of this unit and transferred to the pension reserve fund. However, should the annual actuarial report determine that the City contributions to the pension plan is 12% or less there shall be no such deduction.~~

Section 8.

~~Employees shall be permitted to buy back a maximum of four (4) years service. The cost to be totally paid by the employees, and calculated in the same manner that military buy back is calculated.~~

Section 9.

~~Member having reached retirement requirements will be allowed to elect joint and survivor option prior to retiring and will retain that election until actual retirement from the System. The member shall reserve the right to change election up to the last day in the employ of the City. Should the member die on or off the job, while still employed with the city, the member's spouse would then begin receiving retirement benefits as provided for under the joint and survivor benefit, based on age and years of service.~~

Section 10. Board of Trustees:

~~AFSCME shall be entitled to elect one (1) trustee to the Retirement Board.~~

Section 11.

~~Individuals under age 55 must join the retirement system; individuals 55 or older at the employee's option may join the retirement system.~~

Section 12.

All other Sections of Article 3, General Retirement System, Hialeah Code, shall remain in full force and effect.

Section 13.

~~Section 70-98 of the City of Hialeah Employee's Retirement System will be amended as follows:~~

~~Section 70-98 amendments to retirement plan.~~

~~* * *~~

~~(b) — All amendments to this plan shall be subject to the collective bargaining requirements of the State of Florida.~~

~~* * *~~

Section 14. — Reserved.

Section 15. **Section 5.**

~~The amendments to the Employees General Retirement System, as specifically set forth in Appendix A, shall require changes to Chapter 70 entitled "Retirement and Pensions", Article IV, Employees General Retirement System, Division 1, of the Code of Ordinances. As amended, the Retirement System will provide that bargaining unit members hired on or after October 1, 2009, shall contribute 5% of the member's compensation to the Retirement System pension reserve fund. Such members shall receive the same benefits as bargaining unit members presently employed and hired prior to October 1, 2009, except that: (1) for such members average final compensation shall mean the average of the highest annual compensation received by a member during a period of any five years of service; (2) such members may elect to receive a refund of their member contributions plus 3% compounded interest upon termination of employment, in lieu of any other benefit under the Retirement System; and (3) such members shall not be eligible for an annuity from the annuity savings fund.~~

The City shall repeal Hialeah, Fla., Ordinance 10-69.

Any full-time employee hired from January 1, 2011 through March 31, 2012 shall be permitted to join the Retirement System; provided that such employee pays the 7% annuity savings fund contribution from date of hire. The 5% contribution that the employee already paid shall be credited towards the employee's annuity savings fund contribution.

Section 5.

In the event Federal or State law requires testing of employees over and above what is outlined in the Article, the parties agree to abide by same.

ARTICLE 47

NOTES TO THE PAY PLAN

Section 1.

A. There shall be no salary increases during Fiscal Year ~~2009/2010~~ 2011/2012, Fiscal Year 2012-2013 and Fiscal Year 2013-2014. The 17% salary reduction to base pay shall cease at the conclusion of the day, March 31, 2012. ~~There shall be a 17% salary reduction to base pay effective on the date of ratification and acceptance by the City Council, if the Agreement is ratified or the date of imposition, March 21, 2011, if the Agreement is not ratified by the bargaining unit.~~

Note that all employees will be paid no less than the Florida or Federal minimum wage laws, whichever is higher.

B. MERIT STEP - Salary increments recognizing acceptable service within established ranges are provided for in the pay plan. Employees shall receive a one-step increase in salary, not to exceed the maximum rate on the first day of the first full pay period following completion of probation and thereafter on the anniversary date of Certification (i.e., completion of probation) of the employees to the current classification. All merit step increases shall be subject to review for accuracy by the City. (See Section 1 C of this Article.)

Merit Step increase shall be awarded on the basis of acceptable service by the employee, as determined by management. (See Section 1 C of this Article.)

C. Merit Steps and Fifteenth Anniversary Longevity Pay increases shall be postponed, and bargaining unit members will remain in the same Step and the same Fifteenth Anniversary Longevity Pay as they were on July 12, 2010.

Section 1 C of Article supersedes Sections 1B, 4 and 5 of this Article until the Merit Steps and Fifteenth Anniversary Longevity Pay increases are reinstated. Effective July 1, 2014, Merit Steps and the Fifteenth Anniversary Longevity Pay shall be reinstated. When Merit Step

increases and Fifteenth Anniversary Longevity Pay raises resume on July 1, 2014, such increases and raises shall be based on the starting point of the bargaining unit member's status as of July 12, 2010. Accordingly, the time period of suspension (July 13, 2010 through June 30, 2014), shall not be included in the calculation of Merit Step increases and Special Longevity Pay raises.

Section 2 - Longevity - Effective April 2, 1989

Civil Service employees shall be given Longevity Pay in accordance with the following schedule:

A. On the anniversary date of their Civil Service employment, upon completion of five (5) years continuous service, have added fifteen dollars (\$15.00) biweekly to their regular pay.

B. On the earliest October 1st, following their fifth (5th) anniversary date of their Civil Service Employment, when a year or a major fraction of a year has passed (i.e., six (6) months), and on each October 1st thereafter, the employee shall be entitled to additional longevity pay on a cumulative basis through their thirtieth (30th) year of continuous employment not to exceed one hundred and fifty dollars (\$150.00) biweekly, in accordance with the following schedule:

5th - 9th year of continuous service - \$3.00 biweekly

10th - 14th year of continuous service - \$4.00 biweekly

15th - 19th year of continuous service - \$4.50 biweekly

20th - 30th year of continuous service - \$5.00 biweekly

Section 3 – Longevity – Employees Hired After December 12, 2000

A. Every member hired after December 12, 2000 will be eligible for longevity as follows: Upon completion of the nine years continuous service \$15.00 bi-weekly shall be added to their regular pay on the anniversary of their Civil Service employment.

B. On the earliest October 1st, following the ninth anniversary date of their Civil Service employment, when a year or a major fraction of a year has passed, and on each October 1st thereafter, the employee shall be entitled to additional longevity pay on a cumulative basis through their 30th year of continuous employment not to exceed \$150.00 in accordance with the following schedule:

10th - 14th year of service \$4.00 bi-weekly

15 th – 19 th year of service	\$4.50 bi-weekly
20 th – 30 th year of service	\$5.00 bi-weekly.

Section 4.

Time Between Merit Steps 13 and 14 – Effective January 1, 2008, the City shall reduce the in-step waiting time between merit steps 13 and 14, from two years to one. A merit step increase from Step 13 to Step 14 shall be awarded on the basis of acceptable service by the employee, as determined by management. (See Section 1 C of this Article.)

Section 5.

Fifteenth Anniversary Longevity Pay Increase – Effective January 1, 2008, a longevity increase equivalent to 3% of the full-time employee's base salary will be paid to all full-time bargaining unit members who have completed 15 years or more of full-time Civil Service employment with the City. (See Section 1 C of this Article.)

Section 6. – Hire Step

At the City's discretion, the initial placement of an employee may be as follows in the appropriate range: one (1) to five (5) years of experience – up to Step 5. Five (5) to ten (10) years of experience – up to Step 10. Ten (10) to fifteen (15) or more years of experience – up to Step 14.

Section 7. – Administration Pay

- A. A City-wide Department/Division Head may designate an individual, who serves as the Department/Division Head's secretary, in their Department/Division to receive an increase of five percent (5%) over and above their base salary for the performance of administrative duties, subject to approval by the Mayor. Any employee receiving administrative pay will cease to receive such pay when the employee is no longer performing the administrative duties for the Department/Division Head.
- B. When a classification requires additional knowledge and skills, the classification pay range may be increased one time up to two ranges, at the discretion of administration.

**** See Appendix "B" for Pay Scales ****

ARTICLE 48

PART TIME EMPLOYEES

Section 1. Definition

Part Time employees shall mean those employees working thirty (30) hours or less in positions intended to last in excess of nine months or that actually last in excess of nine (9) months. Part Time employees shall not be entitled to any of the benefits or provisions provided for in this Article until they have been continuously employed by the City for a full year, with the exception of the pay plan attached as Article 47.

Section 2

Part Time employees scheduled less than 22 ½ hours per week shall receive no benefits other than Article 14, Grievance Procedure and Article 39, Prevailing Benefits.

Section 3.

Part Time employees scheduled to work 22 ½ to 30 hours a week shall be entitled to hospital and medical benefits under Article 38 with the exclusion of Life Insurance and the Alcohol and Drug Provision.

Upon retirement from the City, Part Time employees will be eligible to continue the health insurance coverage. The Part-time employee will be responsible for the full cost of the coverage.

Section 4.

Part Time employees shall be entitled to vacation under the following schedule based upon their weekly hours:

1 - 7 years	1 week
8 - 14 years	2 weeks
15 or more years	3 weeks

(i.e., the calculation of the amount of vacation time to be paid shall be done in the following manner: Effective January 1, 1991, and annually thereafter, the amount of time that the employee worked during the previous year will be added up and divided by 52 and rounded to the nearest 1/4 hour to determine the amount of vacation time to be paid. Any employee working more than ~~1,170~~ 1,100 hours (up to a maximum of 1,950 hours) will have those hours divided by 52 and awarded that number of hours for each week of vacation time earned. For

purposes of calculating the number of hours worked, vacation hours will be included in the number of hours worked.)

Section 5.

Part Time employees working 22 ½ hours to 30 hours weekly shall not receive any benefits or protections, other than those set forth in Article 14, Grievance Procedure, Article 39, Prevailing Benefits, or as specifically contained in this Article.

Section 6. Overtime

A. No overtime shall be awarded to Part Time employees except that the City is not required to interrupt a particular route, game or function and substitute a Full Time employee for Part Time employee who has commenced the route, game or function during his regular scheduled hours and is required to work over-time to complete same.

B. Part Time employees scheduled to work 22 ½ to 30 hours per week shall receive overtime at time and one-half for all hours exceeding 30 hours per week. The City agrees it will not reduce regularly scheduled hours to avoid the payment of overtime.

C. The parties agree that the following special functions will not be considered as overtime unless said Part Time employees exceed 37 ½ hours in a week.

1. Special Olympics
2. July 4th
3. Snow Blast
4. Easter Egg Hunt
5. Hot Shot
6. Haunted House
7. Punt, Pass & Kick
8. Tennis Tournaments
9. Summer Program
10. Any Special Event approved by the Hialeah City Council.

The above mentioned special functions shall be offered to employees in accordance with the provisions of Article 36, Section 5. For purposes of number 9, Summer Program, the opportunity to work the 37 ½ hour week shall also be offered in accordance with provisions of Article 36, Section 5; however, such roster shall be based upon an annual rotating basis.

D. Employee will have a choice of receiving overtime or compensatory time in accordance with Article 36 upon exceeding 30 hours per week.

Section 7. Part Time Sanitation Collectors

A. Will work a normal scheduled week of 30 hours.

B. Will be on the incentive plan to the same extent and under the same terms of Full Time employees, with the exception of the difference in hours between a Part Time employee (30 hours) and a Full Time employee (37 ½ hours).

C. The hourly pay of Part Time employees in Solid Waste will be recalculated based on the current 34 hours of pay, and paid over 30 hours without any loss of pay.

Section 8. Lay Offs

Part-time employees within a classification in a department shall ordinarily be laid off before full-time employees are laid off. However, to meet the needs of the City and/or a particular department, the City may override this provision and retain a part-time employee rather than a full-time employee if, in the sole opinion of the City, the part-time employee is better qualified or his/her retention is in the best interest of the City and/or department. The City will articulate its rationale to the Union before the layoff occurs.

If a grievance arises out of Section 8 of this Article, the grievant will not be entitled to back pay. For purposes of Section 8 grievance herein, the grievance shall commence at the arbitration step of the grievance procedure.

Section 9. – Pay Plan

There shall be no salary increases during Fiscal Year 2009/2010.

Merit Steps increases for part-time employees shall be postponed, and said bargaining unit members will remain in the same Step as they were on July 12, 2010.

Note that all employees will be paid no less than the Florida or Federal minimum wage laws, whichever is higher.

Section 10.

Part Time employees performing work on any of the holidays set forth in Article 35, Section 1, with the exception of the employee's birthday or personal sick leave, shall be paid time and one-half of their straight hourly rate for each hour worked.

ARTICLE 49

HEART BILL

The City of Hialeah agrees to implement a Heart Disability Provision to be known as 70-67 G.E.H. (General Employees Heart). The intent of this provision is to provide the benefits, as detailed herein, to employees covered by this Agreement, who suffer a condition of impairment as defined herein.

Section 1.

1. Scope of Provision 70-67 G.E.H

A. Any condition or impairment of health of any Employee caused by Tuberculosis, Hypertension, Heart Disease or Hardening of the Arteries, resulting in total or partial disability or death, shall be presumed to be accidental and suffered in line of duty unless the contrary be shown by competent evidence.

B. Any condition or impairment of health as stated in "a" above caused directly or approximately by exposure, which exposure occurred in the act or performance of duty at some definite time or place without willful negligence on the part of the employee, resulting in total or partial disability, shall be presumed to be accidental and suffered in the line of duty, provided that such employee shall have successfully passed a physical examination upon entering such service, which physical examination, including electrocardiogram, failed to reveal any evidence of such condition, and further, that such presumption shall not apply to benefits payable under or granted in a policy of life insurance or disability insurance. This section shall be applicable to employees only with reference to pension and retirement benefits with the City.

2. 70-67 G.E.H. shall not extend or otherwise affect Chapter 440, Florida Statutes, pertaining to Worker's Compensation. However, benefits pursuant to this provision, shall be offset by any Workers' Compensation benefits, as well as any normal or disability retirement benefits.

**FIFTH TARDY
IN A CALENDAR YEAR:**

Written reprimand and written notice indicating that the sixth (6th) tardiness will result in the employee being subject to a suspension of three (3) days leave without pay.

**SIXTH TARDY
IN A CALENDAR YEAR:**

Suspension of three (3) days leave without pay and written notice indicating that the seventh (7th) tardiness will result in the employee being subject to dismissal.

**SEVENTH TARDY
IN A CALENDAR YEAR:**

Subject to dismissal.

3. Where an employee is tardy less than five (5) minutes, they shall provide a written explanation for supervisory review. Less than five (5) minutes tardiness, may also result in corrective action, where necessary, and reflected in the annual evaluation (i.e., counseling, warnings).

4. All employees are reminded that entries on sign-in sheets must be accurate, and any false statements shall be grounds for discipline, up to and including dismissal, in accordance with the Civil Service Rules and Regulations. Management shall determine the method by which employees' time is recorded.

ARTICLE 54

DROP PLAN

The City shall provide a Deferred Retirement Option Program (DROP) only for existing employees that are in the DROP as of March 31, 2012. A bargaining unit member has the option to participate in a DROP following completion of 25 years of membership service credit comprising of actual work (without purchase of time) and at least 70 points representing the sum of the member's age and years of service. The maximum duration of the DROP is 36 months and participation will end if the bargaining unit member resigns, dies or is terminated for good cause. No new entrants will be allowed in the DROP from April 2, 2012 forward. Employees who have entered the DROP prior to April 2, 2012, will be allowed to complete the time period

permitted in the DROP if the employee so chooses and if the employee remains employed by the City.

ARTICLE 55

EMERGENCY OPERATIONS

In the event of an emergency, as determined by the Mayor or his designee, employee(s) failing to report for work, without a reasonable excuse, will be subject to disciplinary action.

ARTICLE 56

UNIFORM POLICY

Section 1 - Uniforms

Employees in uniformed areas will be issued uniforms as follows:

Initial distribution – five (four in Solid Waste). Individual uniforms will be replaced upon return of the old uniforms, when the old uniforms warrant replacement, as determined by management.

Section 2 – Safety Shoe Allowance

The City will reimburse in an amount not to exceed \$50.00 each fiscal year to purchase/replace safety shoes for the following employees working in the listed departments:

<u>Water & Sewers</u>
Heavy Equipment Operator
Lift Station Mechanic
Mechanic II
Meter Reader
Senior Meter Reader
Service Worker
Utilityman
Utility Electronic/Electrician Tech
Water & Sewers Foreman
Water & Sewers Journeyman Apprentice
Water & Sewers Journeyman

APPENDIX A
CITY OF HIALEAH GENERAL EMPLOYEES
DEFINED CONTRIBUTION RETIREMENT PLAN
KEY PROVISIONS

1. Eligibility: full-time general employees hired on or after April 1, 2012.
2. Contributions: 7% City and 7% employee (employee contribution is pre-tax). Employees may also make additional voluntary after-tax contributions up to the maximum allowed by law.
3. Vesting: immediate vesting for employee contributions and earnings on employee contributions. Employer contributions and earnings on employer contributions vest after 10 years of service.
4. Earnings: base pay excluding overtime, bonuses and all other compensation.
5. Normal retirement age: 59 and $\frac{1}{2}$.
6. Benefit: contributions are deposited in an account in the DC plan and invested as directed by the employee. The vested balance in the employee's account (including investment earnings) is distributed to the employee upon retirement, or may be rolled over into an IRA or other qualified retirement plan.
7. Benefits payable to spouse or beneficiary: the employee may designate his/her spouse or other beneficiary to receive the vested balance in the employee's DC plan account upon the employee's death.

City of Hialeah
Amendment to Employees General Retirement System

Section 1: Chapter 70 entitled "Retirement and Pensions", Article IV, Employees General Retirement System, Division 1, of the Code of Ordinances of the City of Hialeah, Florida, is hereby amended, by revising Hialeah Code Section 70-201 entitled "Composition; exclusions", to read as follows:

Sec. 70-201. - Composition; exclusions.

(a) The membership of the retirement system shall consist of the following:

(1) All persons and employees of the city who were in the classified service of the city on the day preceding the effective date of January 1, 1956, of the retirement system and who continue in the classified service of the city on and after the effective date of the retirement system and all persons who became classified employees of the city on and after the effective date of January 1, 1956, of the retirement system, except as provided in this section.

(2) Effective retroactive to January 1, 1990:

a. All part-time employees working 22½ hours or more a week will be eligible to participate in the pension plan upon being continuously employed by the city for one year, at the part-time employee's option.

b. All full-time employees shall participate in the pension plan except as provided in this section.

c. All classified employees who prior to April 1, 1991 were not permitted to participate in the pension plan because of their age shall be given credit for each year of classified service to include probationary service toward a vested or normal retirement to a maximum of ten years of membership credit service time. In order to receive this benefit an employee must join the system.

(3) Any employee as of October 1, 1992, who has reached his 55th birthday before entering into employment with the city may, at the employee's option, join the retirement system. All monies contributed by an employee to the annuity savings funds shall be returned to the employees if they do not attain permanent status.

(b) The membership of the retirement system shall not include the following:

(1) Any person whose services are compensated for on a fee or contractual basis;

(2) The medical committee;

(3) Elected or appointed officials not in the classified service;

(4) City attorney;

(5) Assistant city attorneys;

(6) Assistant city attorneys who are appointed and serve as a department or division head; or

(7) Persons employed in a temporary or provisional status for less than nine months.

(8) Any person, other than a police officer or firefighter, hired or rehired as an employee of the city on or after April 1, 2012.

(c) In all cases of doubt, the board of trustees shall decide who shall be a member within the meaning of the provisions of the retirement system.

**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

PLAN NUMBER 10- _____

The Employer hereby establishes a Money Purchase Plan and Trust to be known as City of Hialeah General Employees Defined Contribution Retirement Plan
(the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase
Plan and Trust (MPP 01/01/06).

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☐ Yes ☒ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

I. Employer: City of Hialeah, Florida

[902]

II. The Effective Date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified: April 1, 2012 (e.g., January 1, 2006 for the MPP 01/01/06 Plan)

III. Plan Year will mean:

☒ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

☐ The twelve (12) consecutive month period commencing on _____ and each anniversary thereof.

IV. Normal Retirement Age shall be age 59½ (not to exceed age 65).

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V. ELIGIBILITY REQUIREMENTS:

1. The following group or groups of Employees are eligible to participate in the Plan:

- _____ All Employees
- _____ All Full Time Employees
- _____ Salaried Employees
- _____ Non union Employees
- _____ Management Employees
- _____ Public Safety Employees
- _____ General Employees
- ☒ Other Employees (specify describe the group(s) of eligible employees below)
General employees hired on or after April 1, 2012

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. Also, the eligibility requirements for participation in the Plan cannot be such that Employees become Participants only in the Plan Year in which the Employees terminate employment (i.e., stand-alone final pay plans).

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) NA

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is 18 (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. The Employer shall contribute as follows: (Choose all that apply, but at least one of Options A, B or C. If Option A is not selected, Employer must pick up Participant Contributions under Option B or Option C.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions: (If Option B or C is chosen, please complete section D.)

- ☒ A. **Employer Contributions.** The Employer shall contribute on behalf of each Participant 7.0 % of Earnings or \$_____ for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions

☒ are required ☐ are not required

to be eligible for this Employer Contribution.

- ☐ B. **Mandatory Participant Contributions for Plan Participation.** A Participant is required to contribute (subject to the limitations of Article V of the Plan)

(i) 7.0 % of Earnings.

(ii) \$_____, or

(iii) a whole percentage of Earnings between the range of _____ (insert range of percentages between 0% and 20% (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer

for the Plan Year as a condition of participation in the Plan. A Participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

The Employer hereby elects to "pick up" the Mandatory Participant Contributions (pick up is required if neither Option A nor Option C is selected).

☒ Yes ☐ No

[621]

- ☐ C. **Mandatory Participant Contributions for this Portion of the Plan.** Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute _____ (insert range of percentages between 0% and 20% (e.g., 3%, 6%, or 20%; 5% to 7%)) of the Employee's Earnings to the Plan for each Plan Year (subject to the limitations of Article V of the Plan).

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are picked up by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2011-4 (or subsequent guidance).

A Participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Participant in this portion of the Plan.

The Employer hereby elects to "pick up" the Mandatory Participant Contributions (pick up is required if neither Option A nor Option B is selected).²

[621]

☐ Yes ☐ No

D. Election Window (Complete if Option B or Option C is selected):

Newly eligible Employees shall be provided an election window of _____ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employee may also elect to contribute as follows:

☐ A. Fixed Employer Match of Voluntary Participant Contributions. The Employer shall contribute on behalf of each Participant _____ % of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____ % of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

☐ B. Variable Employer Match of Voluntary Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding _____ % of Earnings or \$ _____);

PLUS _____ % of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____ % of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____ % of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan.

☒ Yes ☐ No

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

² See footnote 1 on the previous page.

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):
-

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

(a) Overtime

☐ Yes ☒ No

(b) Bonuses

☐ Yes ☒ No

(c) Other Pay (specifically describe any other types of pay to be included below)

None

VIII. The Employer will permit rollover contributions in accordance with Section 4.11 of the Plan.

☒ Yes ☐ No

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Sections 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (f) of the Plan will apply unless another method has been indicated below.

☐ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)

2. The limitation year is the following 12 consecutive month period:
-

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent - from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

<u>Period of Service Completed</u>	<u>Percent Vested</u>
Zero	0 %
One	0 %
Two	0 %
Three	0 %
Four	0 %
Five	0 %
Six	0 %
Seven	0 %
Eight	0 %
Nine	0 %
Ten	100 %

XI. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

☐ Yes ☒ No

[751]

XII.

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

[646:8]

☐ Normal Retirement Age

☒ Age 70½

☐ Not permitted at any age

2. Tax-free distributions of up to \$3,000 for the payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

☐ Yes ☒ No (Default)

[646:3]

XIII. In-service distributions of the Rollover Account are permitted under the Plan as provided in Section 9.07.

☐ Yes ☒ No (Default)

[646:7]

XIV. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

A. ☒ Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.

[646:6]

B. ☐ Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (This is the default provision under the Plan if no selection is made.)

[646:6]

C. ☐ QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime.

[642:8]

[646:6]

XV. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

Final Pay shall be defined as (select one):

- A. ☐ Accrued unpaid vacation
B. ☐ Accrued unpaid sick leave
C. ☐ Accrued unpaid vacation and sick leave
D. ☐ Other (insert definition of final pay): _____

that would otherwise be payable to the Employee in cash upon termination.

1. ☐ **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
2. ☐ **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute _____ % (insert fixed percentage of final pay to be contributed) or up to _____ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked. If the employee elects to "pick up" these amounts, in no event does the Employee have the option of receiving the pick-up contribution amount directly.

The Employer hereby elects to "pick up" the Employee Designated Final Pay Contribution thereby treating such contributions as Employer-made contributions for federal income tax purposes.

☐ Yes ☐ No

[621]

XVI. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions if either 1 or 2 is selected below.

Accrued Leave shall be defined as (select one):

- A. ☐ Accrued unpaid vacation
B. ☐ Accrued unpaid sick leave
C. ☐ Accrued unpaid vacation and sick leave
D. ☐ Other (insert definition of final pay): _____
that would otherwise be payable to the Employee in cash.

1. ☐ **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):
☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks) to the Plan (subject to the limitations of Article V of the Plan).
☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____ % of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

☐ 2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked. If the employee elects to "pick up" these amounts, in no event does the Employee have the option of receiving the pick-up contribution amount directly.

The Employer hereby elects to "pick up" the Employee Designated Final Pay Contribution thereby treating such contributions as Employer-made contributions for federal income tax purposes.

☐ Yes ☐ No

[621]

In order to allow for Final Pay Contributions and/or Accrued Leave Contributions, as defined in sections XV and XVI above, the Plan must also include additional sources of ongoing contributions, such as Fixed Employer Contributions or Mandatory Participant Contributions. In accordance with IRS Guidance, ICMA-RC will not process Final Pay Contribution or Accrued Leave Contribution Features as part of a "Stand Alone" Final Pay Plan.

XVII. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVIII. The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan.

XIX. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XX. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XXI. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE
Washington, DC 20002-4240
202-962-8096

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Attest: _____

Attest: _____